MAINE STATE LEGISLATURE

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SECOND REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

enacted in its place:

5 6 7 NO. 2574

H.P. 1882 House of Representatives, March 23, 1988 Reference to the Committee on Taxation suggested and ordered printed.

Presented by Representative SEAVEY of Kennebunkport.
Cosponsored by Senator TWITCHELL of Oxford.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-EIGHT

	Ai	N ACT	to E	_	d the P aker Pr	roperty ogram.	Tax Ci	rcui	t	
	it en .lows:	acted	by	the	People	of the	State	of	Maine	as
c.		1. §§3				, as er pealed				

Page 1-LR5005

1	§6207. Income limitations for nonelderly households
2 3 4 5	1. Benefit calculation. For claimants representing a nonelderly household, the benefit is 25% of the amount by which the benefit base exceeds 4.75% of income to a maximum payment of:
6 7	A. For incomes less than or equal to \$5,000\$150;
8	B. For incomes greater than \$5,000 and less than or equal to \$10,000\$125; and
10	C. For incomes greater than \$10,000\$100.
11 12 13	2. Income eligibility. Claimants with household incomes in excess of \$12,500 are not eligible for a benefit.
14 15	Sec. 2. 36 MRSA $\S6217$, as enacted by PL 1987, c. 516, $\S\S3$ and 6, is repealed.
16 17 18	Sec. 3. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.
19	1988-89
20	FINANCE, DEPARTMENT OF
21	Bureau of Taxation
22 23 24 25 26	Positions (2) Personal Services \$ 45,000 All Other 62,000 Capital Expenditures 3,400
27	makal

Low-Income Tax Relief

28

.)	1	All Other \$2,380,000
	2 3	DEPARTMENT OF FINANCE
	3	TOTAL \$2,490,400
	4	STATEMENT OF FACT
	5	Sections 1 and 2 of the bill replace the
	6	nonelderly portion of the Household Tax Rent Refund
	7	Program with a circuit breaker program. Eligible
	8	households will receive a payment if the percentage of
	9	income paid in property taxes, or rent equivalent,
	10	exceeds a threshold. The threshold is calculated as
	11	the median percentage of income going to property
	12	taxes, for those with incomes under \$20,000; 25% of
	13	the amount over the median would be reimbursed up to a
	14	maximum of \$150 for incomes under \$5,000, \$125 for
	15	incomes between \$5,000 and \$10,000, and \$100 for
	16	incomes over \$10,000. Households with incomes up to
	17	\$12,500 are eligible for the program.
	18	Section 3 provides the necessary appropriation for
	19	the circuit breaker program. The funding has been
	20	identified in the Governor's Budget.
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